

RRB Issuing Statements of Service

Each year, the U.S. Railroad Retirement Board issues a "Certificate of Service Months and Compensation" (Form BA-6) for every railroad employee who received creditable railroad compensation in the previous calendar year. These annual statements provide employees with a record of their railroad retirement service and compensation. The statement has no cash value, but the information shown is used to determine whether an employee qualifies for benefits and the amount of those benefits.

Most employees will receive Form BA-6 directly from the Board by mail during the latter half of June, although some forms are distributed through employers. Employees who worked for a railroad in 1996, but have not received a Form BA-6 by mid-July, or need a replacement, should contact the nearest Board field office.

It is important that employees review their BA-6 form to see whether their own records of service months and creditable compensation agree with the figures shown on the form. In checking the 1996 compensation total, employees should be aware that only annual earnings up to \$62,700 were creditable for railroad retirement purposes in that year, and that \$62,700 is the maximum amount shown on the form. To assist employees in reviewing their service credits, the form also shows service credited on a month-by-month basis for 1995, 1994 and 1993, when the creditable compensation maximums were \$61,200, \$60,600 and \$57,600, respectively. In addition, the form identifies the rail employers reporting the employee's 1996 service and compensation.

Besides the months of service reported by rail employers, Form BA-6 shows the number of any additional service months deemed by the Board. Deemed service months may be credited under certain conditions for an employee who did not work in all 12 months of the year, but had earnings exceeding monthly prorations of the creditable tier II earnings maximum for the year. However, the total of reported and deemed service months may never exceed 12 in a calendar year, and no service months, reported or deemed, can be credited after retirement, severance, resignation, discharge, or death.

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In addition to regular compensation which generally yields service month credits, the form shows miscellaneous compensation, such as taxable sickness payments or some other payments to former employees which provide additional earnings credits but do not provide additional service month credits.

The BA-6 form also shows the cumulative amount of tier II railroad retirement payroll taxes paid by the employee over and above tier I social security equivalent payroll taxes. The Board computes this amount in order to advise employees, after their retirement, of these payroll tax contributions for Federal income tax purposes.

For former employees who received separation or severance payments, the form, in the section designated "Taxable Amount," shows the amounts of any separation allowance or severance payments in the last four years that were subject to railroad retirement payroll taxes but did not provide additional tier II service credits. This information is shown on the form because in these circumstances a lump sum, approximating part or all of the tier II taxes deducted from such payments made after 1984, may be payable by the Board upon retirement to employees with 10 years of service, or to survivors if the employee dies before retirement. The amount of an allowance included in an employee's regular compensation is shown under "Compensation Amount."

An employee who receives Form BA-6 with an incorrect name, address, date of birth or social security number can have the information corrected by contacting the nearest Board field office. If there is a name difference, an employee should be aware that the form may not show his or her full surname if the surname exceeds 10 letters, "Junior" or "Senior" was used with the surname, or the employee first worked for a railroad in 1996. Employees may also contact a Board field office to request a detailed breakdown, by year, of all railroad service and compensation credited to them. For most employees, the address and phone number of the Board office serving the employee's area is provided on the form. Employees can also locate the nearest field office by visiting the Board's Web site at <http://www.rrb.gov>, looking in the telephone directory under "United States Government," or checking with a union representative, rail employer, local post office or Federal Information Center.

Any other discrepancies in Form BA-6 should be reported promptly in writing to the Protest Unit-ESTC, U.S. Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-2092. The employee must include his or her social security number in the letter. The Form BA-6 also explains what other documentation and information should be provided. **The law limits to four years the period during which corrections can be made.**

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